AMENDED IN SENATE MAY 1, 2007 AMENDED IN SENATE MARCH 26, 2007

SENATE BILL

No. 332

Introduced by Senator Corbett

February 20, 2007

An act to amend Section 25402 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 332, as amended, Corbett. Energy: appliance efficiency: home entertainment and home networking systems.

The Warren-Alquist State Energy Resources Conservation and Development Act requires the State Energy Resources Conservation and Development Commission to establish minimum levels of operating efficiency, based on a reasonable use pattern, for appliances.

This bill would require the commission, not later than July 1, 2010 January 1, 2009, to amend or adopt regulations pertaining to energy efficiency standards for specified home entertainment and home networking appliances to require these appliance, to be at least 25% more energy efficient than the average energy efficiencies, as determined by the commission, of these appliances as of January 1, 2008. The specified appliances that are manufactured after July 1, 2010, would be required to comply with the energy efficiency standards. Not later than January 1, 2009, the commission would be required to report to the Legislature on its progress in amending or adopting these energy standards develop a priority list of appliances for review by the commission for energy efficiency standards, and to develop testing standards for specific appliances. One year after the development of the testing standards, specified appliances would be required to have

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labeling containing specified information. The commission would be authorized to petition the United States Department of Energy for an exemption of the testing and labeling standards from relevant federal regulations.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 25402 of the Public Resources Code is amended to read:

25402. The commission shall, after one or more public hearings, do all of the following, in order to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy:

- 6 (a) Prescribe, by regulation, lighting, insulation climate control system, and other building design and construction standards that increase the efficiency in the use of energy for new residential and new nonresidential buildings. The standards shall be cost effective, 10 when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practice. The 11 12 commission shall periodically update the standards and adopt any 13 revision that, in its judgment, it deems necessary. Six months after 14 the commission certifies an energy conservation manual pursuant 15 to subdivision (c) of Section 25402.1, no city, county, city and county, or state agency shall issue a permit for any building unless 16 17 the building satisfies the standards prescribed by the commission 18 pursuant to this subdivision or subdivision (b) of this section that 19 are in effect on the date an application for a building permit is 20 filed.
 - (b) Prescribe, by regulation, energy conservation design standards for new residential and new nonresidential buildings. The standards shall be performance standards and shall be promulgated in terms of energy consumption per gross square foot of floorspace, but may also include devices, systems, and techniques required to conserve energy. The standards shall be cost effective when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practices. The commission shall periodically review the standards and adopt any revision that, in its judgment, it deems necessary. A building that satisfies the standards prescribed pursuant to this

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subdivision need not comply with the standards prescribed pursuant to subdivision (a). The commission shall comply with this subdivision before January 1, 1981.

- (c) (1) Prescribe, by regulation, standards for minimum levels of operating efficiency, based on a reasonable use pattern, and may prescribe other cost-effective measures, including incentive programs, fleet averaging, energy consumption labeling not preempted by federal labeling, and consumer education programs, to promote the use of energy efficient appliances whose use, as determined by the commission, requires a significant amount of energy on a statewide basis. The minimum levels of operating efficiency shall be based on feasible and attainable efficiencies or feasible improved efficiencies that will reduce the electrical energy consumption growth rate. The standards shall become effective no sooner than one year after the date of adoption or revision. A new appliance manufactured on or after the effective date of the standards shall not be sold or offered for sale in the state, unless it is certified by the manufacturer thereof to be in compliance with the standards. The standards shall be drawn so that they do not result in any added total costs to the consumer over the designed life of the appliances concerned.
- (2) A new appliance, except for a plumbing fitting, regulated under paragraph (1), which is manufactured on or after July 1, 1984, shall not be sold, or offered for sale, in the state, unless the date of the manufacture is permanently displayed in an accessible place on that appliance.
- (3) During the period of five years after the commission has adopted a standard for a particular appliance under paragraph (1), an increase or decrease in the minimum level of operating efficiency required by the standard for that appliance shall not become effective, unless the commission adopts other cost-effective measures for that appliance.
- (4) Neither the commission nor any other state agency shall take any action to decrease any standard adopted under this subdivision on or before June 30, 1985, prescribing minimum levels of operating efficiency or other energy conservation measures for any appliance, unless the commission finds by a four-fifths vote that a decrease is of benefit to ratepayers, and that there is significant evidence of changed circumstances. Prior to January 1, 1986, the commission shall not take any action to

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increase any standard prescribing minimum levels of operating 1 2 efficiency for any appliance or adopt any new standard under 3 paragraph (1). Prior to January 1, 1986, any appliance manufacturer 4 doing business in this state shall provide directly, or through an 5 appropriate trade or industry association, information, as specified 6 by the commission after consultation with manufacturers doing business in the state and appropriate trade or industry associations on sales of appliances so that the commission may study the effects of regulations on those sales. These informational requirements shall remain in effect until the information is received. The trade 10 11 or industry association may submit sales information in an aggregated form in a manner that allows the commission to carry 12 13 out the purposes of the study. The commission shall treat any sales 14 information of an individual manufacturer as confidential and that 15 information shall not be a public record. The commission shall not request any information that cannot be reasonably produced in the 16 17 exercise of due diligence by the manufacturer. At least one year 18 prior to the adoption or amendment of a standard for an appliance, 19 the commission shall notify the Legislature of its intent, and the 20 justification therefor, to adopt or amend a standard for the 21 appliance. Notwithstanding paragraph (3) and this paragraph, the 22 commission may do any of the following: 23

- (A) Increase the minimum level of operating efficiency in an existing standard up to the level of the National Voluntary Consensus Standards 90, adopted by the American Society of Heating, Refrigeration, and Air Conditioning Engineers or, for appliances not covered by that standard, up to the level established in a similar nationwide consensus standard.
- (B) Change the measure or rating of efficiency of any standard, if the minimum level of operating efficiency remains substantially the same.
- (C) Adjust the minimum level of operating efficiency in an existing standard in order to reflect changes in test procedures that the standards require manufacturers to use in certifying compliance, if the minimum level of operating efficiency remains substantially the same.
- (D) Readopt a standard preempted, enjoined, or otherwise found legally defective by an administrative agency or a lower court, if final legal action determines that the standard is valid and if the

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standard that is readopted is not more stringent than the standard that was found to be defective or preempted.

- (E) Adopt or amend any existing or new standard at any level of operating efficiency, if the Governor has declared an energy emergency pursuant to Section 8558 of the Government Code.
- (5) Notwithstanding paragraph (4), the commission may adopt standards pursuant to-commission order Commission Order No. 84-0111-1, on or before June 30, 1985.
- (d) Recommend minimum standards of efficiency for the operation of a new facility at a particular site that are technically and economically feasible. No site and related facility shall be certified pursuant to Chapter 6 (commencing with Section 25500), unless the applicant certifies that standards recommended by the commission have been considered, which certification shall include a statement specifying the extent to which conformance with the recommended standards will be achieved.

Whenever this section and Chapter 11.5 (commencing with Section 19878) of Part 3 of Division 13 of the Health and Safety Code are in conflict, the commission shall be governed by that chapter of the Health and Safety Code to the extent of the conflict.

- (e) The commission shall do all of the following:
- (1) Not later than January 1, 2004, amend any regulations in effect on January 1, 2003, pertaining to the energy efficiency standards for residential clothes washers to require that residential clothes washers manufactured on or after January 1, 2007, be at least as water efficient as commercial clothes washers.
- (2) Not later than April 1, 2004, petition the federal Department of Energy for an exemption from any relevant federal regulations governing energy efficiency standards that are applicable to residential clothes washers.
- (3) Not later than January 1, 2005, report to the Legislature on its progress with respect to the requirements of paragraphs (1) and (2).
 - (f) The commission shall do all of the following:
- (1) Not later than July 1, 2010, amend any regulations in effect on January 1, 2008, or adopt regulations, pertaining to the energy efficiency standards for home entertainment systems, including television in the active mode, digital cable and satellite set-top box, digital versatile disc (DVD) player in the active mode, video eassette recorder, and sound system, and for home computer

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networking systems, including digital subscriber line (DSL) and cable modem and wireless router, to require that these appliances, manufactured on or after July 1, 2010, be at least 25 percent more efficient than the average energy efficiencies, as determined by the commission, of these appliances as of January 1, 2008.

- (2) Not later than January 1, 2009, report to the Legislature on its progress with respect to the requirements of paragraph (1).
- (f) (1) Not later than January 1, 2009, the commission shall do all of the following:
- (A) Develop a priority list of appliances for review by the commission for energy efficiency standards. In developing the list, the commission shall specifically consider televisions and computers in active-mode, and home entertainment and computer networking systems.
- (B) Develop standards for manufacturers to test specific appliances.
- (2) One year after the development of the standards pursuant to subparagraph (B) of paragraph (1), the commission shall require those appliances to have a label on them with information that includes power consumption while actively operating over a specified time period, and the average electrical costs to consumers.
- (3) The commission may petition the federal Department of Energy for an exemption of the standards developed pursuant to subparagraph (B) of paragraph (1) and the labeling requirements pursuant to paragraph (2) from any relevant federal regulations.